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Approved For Release 2004/09/03 : CIA-RDP80M00772A000200010033-2  
The Director of Central Intelligence

Washington, D.C. 20505

Intelligence Community Staff

*April 16, 1978*

MEMORANDUM FOR: The Director of Central Intelligence  
FROM: Deputy to the DCI for Resource Management  
SUBJECT: Intelligence Community Staff Permanent Cadre

I. Background.

The IC staff has existed since about 1972. In its inception, the IC staff was not separate from CIA and had no appropriation of its own.

E.O. 11905 expanded the dual role of the DCI, recognized the existence of an IC staff and created a position of D/DCI/IC.

Congress took this designation of a separate IC staff seriously, and in the FY 1977 budget, enacted a separate appropriation for IC oversight. In the conference committee report on the 1977 appropriations bill (Tab A), the conferees expressed their desire that the IC staff and the NFIB have total policy independence. This policy independence was to be achieved through the establishment of a separate IC staff having its own appropriations and its own permanent cadre.

In hearings on the FY 1978 appropriation and 1977 supplemental appropriation, the HAC raised the question of a permanent IC staff cadre (Tab B). In its report on the 1977 supplemental appropriations (Tab C), the committee noted its concern that an IC staff composed of personnel on detail from other intelligence agencies would not provide for sufficiently vigorous and independent Intelligence Community oversight. To eliminate this, the HAC included language in the FY 78 budget to require a transition to an IC staff primarily composed of full-time permanent employees. The committee also established ratios of permanent to detail and contract employees to force a more rapid transition to a permanent IC staff.

While the Senate report on the FY 1977 supplemental appropriation (Tab D) recommends the elimination of statutory ratios, the report notes that this does not indicate disagreement with the House intent. The committee felt that the performance of the IC staff would be enhanced

by the expertise and institutional continuity which would result from a dedicated and permanent staff of competent professionals.

The conference committee report on the 1977 supplemental appropriation (Tab E) notes that the bill deletes language requiring a specific ratio of permanent employees. The report further notes, however, that "in agreeing to delete the House language, the conferees agreed that they would expect the Intelligence Community staff to establish a permanent cadre as soon as practicable."

In identical letters to the Chairmen of the Senate and House Appropriations Committees and of the SSCI (Tab F) dated April 28, 1977, the DCI noted that he subscribed to the desirability of a permanent cadre to provide the continuity desirable in the IC staff. He noted that he had directed that 40 to 50% of the IC staff (excluding the DCI committees and the support personnel) be composed of permanent civilian professionals by 30 September 1978.

In response to a letter from the Chairman of the Senate Appropriations Committee, on May 23, 1977, the DCI stated his intent that the permanent civilian professional cadre within the IC staff would range from 25 to 31 personnel (Tab G).

In its report on the 1978 appropriations bill, the Senate Appropriations Committee directed that the IC staff be guided by the FY 1977 supplemental appropriations conference report regarding the appropriate mix of permanent employees to employees on detail from other organizations within the Intelligence Community.

The House report on the 1978 Appropriations bill is highly critical of the Intelligence Community's failure to establish a permanent cadre (Tab H). Noting that the DCI had made a commitment to the Congress to convert a substantial number of IC staff employees to full-time permanent status, the Committee reiterated its longstanding insistence that a permanent cadre was necessary to insure the desired independence and objectivity of the IC staff. The report further notes that the conference report on the 1977 supplemental appropriation included language directing the establishment of a permanent IC staff as soon as possible.

"The conference report was issued on April 6, 1977. The committee has learned that as of June 2, 1977 (almost two months after issuance of the Conference Report) the Intelligence Community Staff had still not converted a single employee to permanent status. The Committee cannot understand the continuing delay in implementing a policy agreed upon by both the Congress and the Director of Central Intelligence and believes further delay should cease and conversion begin."

II. Congressional mandate; current level.

As can be seen from the foregoing, there exists a clear requirement that RMS contain a substantial number of permanent cadre supplemented by personnel on rotational assignments from other agencies within the Intelligence Community. At the present time, there are 24 permanent cadre on the RMS.

III. Elements of an independent permanent cadre.

RMS must have true policy independence and be perceived throughout the Intelligence Community to have this. For this to be so, the D/DCI/RM should have authority to hire and fire personnel for the RMS (supplementing the DCI's termination authority). All personnel actions affecting the RMS should be particular to it and should not be, either in reality or perception, related to any other IC entity. This would necessitate a career service separate and apart from the career services of any other IC entities.

Only in the rarest circumstances should personnel assigned to the RMS permanent cadre be rotated to assignments elsewhere within the Intelligence Community. At the present time, RMS permanent cadre execute a memorandum of understanding acknowledging that they have no employment rights with CIA or elsewhere within the Community. To permit ready transfer would create the impression that RMS was not truly permanent and that RMS program monitors could, in time, be assigned to the very programs they were previously charged with overseeing.

In the past, CIA has been criticized in Congress for the depth and breadth of its involvement with the IC staff. Since its inception, the bulk of the IC staff was drawn from the ranks of CIA. Because of this past criticism, and because of the special relationship existing between the DCI and the CIA, special attention must be paid to insulating the RMS from CIA.

IV. Staffing limitations.

A permanent and independent RMS is, in fact, subject to various restrictions. This staff is limited by a ceiling on the number of personnel which may be hired and on the grade structure of those persons. RMS is also limited by a budgetary ceiling set forth in the separate and open IC oversight budget item. As a further practical limitation, RMS has adopted relevant CIA procedural guidelines governing personnel administration.

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Extracted from: Conference Committee Report on H.R. 14262, Department of Defense  
1977 Appropriation. (H.R. Rep. No. 94-1475)

## TITLE VIII—RELATED AGENCY

## INTELLIGENCE COMMUNITY OVERSIGHT

Amendment No. 113: Appropriates \$5,600,000 for "Intelligence Community Oversight" as proposed by the House.

The conferees agreed that a separate appropriation for "Intelligence Community Oversight" would give increased independence and stature to the activities of the Intelligence Community Staff and to the National Foreign Intelligence Board. This independence will help assure vigorous oversight of the intelligence community.

The conferees also agreed that a public appropriation would do no harm and could do much good as a symbol of the congressional intent that there be strong, central direction of the intelligence community. The conferees agreed, however, that other elements of the intelligence and intelligence-related budgets should not be revealed, since to do so could result in harmful effects to United States security.

The main desire of the conferees is to enable the Intelligence Community Staff and the National Foreign Intelligence Board to achieve policy independence. There is no intent to preclude the provision under the Economy Act and other general authorities of certain administrative services, including but not limited to, security, communications, financial, logistics, and computer services by other elements of the intelligence community (or even the non-intelligence community within the dictates of security). However, any such administrative services must be funded from the "Intelligence Community Oversight" appropriation through transfers or other appropriate devices. There is to be no augmentation of this appropriation, except by supplemental appropriations. There is also to be no carryover of unobligated funds, since this is intended to be an annual appropriation. The normal apportionment procedures of the Office of Management and Budget should apply to this appropriation. Within the above caveats, the conferees agreed that, to the extent it is permissible under existing law, the authorities granted to the Director of Central Intelligence and to the Central Intelligence Agency in regard to such activities as hiring and procurement practices may apply to the activities funded by the "Intelligence Community Oversight" appropriation.

While the conferees have no objection to provision of reimbursed support services from other sources, they feel it would be inappropriate to depend on other sources for policy sensitive services. To do so would be to deny the intent of Congress, which is that the Intelligence Community Staff and the National Foreign Intelligence Board be totally independent.

The Committees will expect that separate budget justifications and congressional testimony shall be presented in defense of the 1978 budget request for "Intelligence Community Oversight". This justification material in addition to the normal information concerning personnel levels and dollars requested, shall include a discussion of the principal achievements of the Intelligence Community Staff, the National Foreign Intelligence Board, and the Committee on Foreign Intelligence, including a summary by program and agency of the amounts requested and the amounts approved for intelligence and intelligence related activities.

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Mr. MAHON. We have got to suspend this hearing and go into another meeting very quickly, supposedly at 11 o'clock.

You have another question?

Mr. SNODGRASS. Just one last issue, sir, and I think Congressman Burlison has a question too.

Mr. MAHON. Do you have a question, Bill?

Mr. BURLISON. Yes, sir.

#### JUSTIFICATION FOR USE OF DETAILEES

Mr. SNODGRASS. According to your budget justification, all Intelligence Community Staff personnel are either on detail from another intelligence agency or are contract employees. There are no full time, permanent intelligence community staff personnel. ✓ B

Why do you not have full-time permanent employees?

Again this goes to the issue of independence and whether or not people who are on detail from CIA, and NSA, and DIA could be truly effective, when they know that sooner or later they have to go back to those agencies.

Admiral MURPHY. We gave a lot of thought to that, Mr. Chairman. The main reason is that we like to have a dynamic staff, one that we can bring in new thinking from the entire community on sort of a reasonably repetitious basis, say, 3 years or 4 years. We looked at the pros and cons, and in our estimation we had more pros to having a staff that was dynamic and you move people in and out from the community over a period of time.

If we had all contract people with some kind of long-range allegiance to just the IC Staff, I think we might in the long run end up sort of getting deadwood over time, and also finding out that we don't have the backing of the general community in the kind of work that we are doing.

Mr. SNODGRASS. Why is that? You have one of the highest grade structures in the Government. You are proposing in this supplemental alone to have an additional 17 supergrades. With that kind of grade structure I would think people would be very anxious to work for the IC Staff.

Mr. KNOCH. That is the key to it. What we want in this dynamic system is to be able to move people in from other parts of the community and elsewhere, and have them on a promotion train so that we are not used as a dumping ground where people are put just before they retire or when retired the agencies want to park them.

Mr. MAHON. You have a good point there on which you can expand. There are two sides to this issue. You don't want a bunch of stale, deadwood people who are just sitting there waiting for retirement.

Mr. KNOCH. That is right.

Mr. MAHON. And it could move in that direction.

Mr. KNOCH. That is right.

The other thing is, Mr. Chairman, basically there is a representational aspect to this job. We need people with sufficient rank who can knock on the doors of Secretaries of Defense and Secretaries of State and get access, be heard, and you don't do that on the cheap.

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[FULL COMMITTEE PRINT]

NOTICE.—This report is subject to change pending action by the full committee.

95TH CONGRESS } HOUSE OF REPRESENTATIVES { REPORT  
1st Session } No. 95—

## SUPPLEMENTAL APPROPRIATIONS BILL, 1977

MARCH 10, 1977.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. MAHON, from the Committee on Appropriations,  
submitted the following

### REPORT

[To accompany H.R. —]

The Committee on Appropriations submits the following report in explanation of the accompanying bill making supplemental appropriations for the fiscal year ending September 30, 1977, and for other purposes.

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84-356 O-77—1

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#### VIOLATION OF CONGRESSIONAL INTENT

The Committee was also very concerned about the fact that testimony in the hearings developed the information that 170 persons are currently on board, whereas the Congress only authorized 141 positions in the 1977 Appropriations Act. This is a serious violation of congressional intent, and no intelligence agency should commit a similar violation in the future. As this bill demonstrates, no supplemental is assured until it is enacted, and no agency should act in anticipation of favorable consideration of a supplemental appropriation or reprogramming. To demonstrate its concern, the Committee is requiring a reduction from 170 to 160 positions. More serious actions may be required if similar violations occur in the future.

#### APPROPRIATION LANGUAGE TO REDUCE USAGE OF CONTRACT AND DETAILED EMPLOYEES

The Committee was also concerned that the policy of using contract personnel or personnel on detail from other intelligence agencies to staff the Intelligence Community Staff would not provide for sufficiently vigorous and independent oversight of the intelligence community. Since the Committee believes strong oversight is essential and can only be achieved by diminishing the number of people on contract and on detail, it has included language in the fiscal year 1978 budget to provide for a transition to an Intelligence Community Staff which is primarily composed of full-time permanent employees, rather than detailees and contract employees.

The fiscal year 1977 appropriation language, which will provide for a ratio by August 1, 1977 of 20 percent permanent employees to 80 percent contract employees and employees on detail, is as follows:

For an additional amount for "Intelligence Community Oversight", \$2,499,000: *Provided*, That after August 1, 1977, none of the funds contained herein may be used to finance in excess of 128 contract employees or employees on detail to the Intelligence Community Staff from other agencies.<sup>1</sup>

The language to be included in the fiscal year 1978 Defense Appropriations Act will provide for a ratio by January 1, 1978, of 60 percent permanent employees to 40 percent contract employees and employees on detail. The 1978 language is as follows:

For necessary expenses for Intelligence Community Oversight, \$8,514,000: *Provided*, That after January 1, 1978, none of the funds contained herein may be used to finance in excess of 64 contract employees or employees on detail to the Intelligence Community Staff.

In agreeing to the 20/80 ratio in fiscal year 1977, and the 60/40 ratio in fiscal year 1978, the Committee further agreed that the ratio should be equally applied to professional and support people. In other words, 60 percent of the professional people should be full-time, permanent

<sup>1</sup> An additional \$235,000 is included in Title II, increased pay costs, for total fiscal year 1977 supplemental appropriations of \$2,734,000.

employees and 40 percent should be contract employees or employees on detail from other agencies. Likewise, 60 percent of the support people should be full-time permanent employees, and 40 percent should be contract employees or employees on detail. Furthermore, these definitions apply to all employees, and there shall be no exclusion of employees of DCI Committees or other employees in calculating the ratios. Finally, the Committee agreed there should be a distribution of personnel which reflects the overall composition of the intelligence community. There should not be disproportionate representation of any one agency.

The Committee believes, its recommendations on the fiscal year 1977 supplemental and the fiscal year 1978 budget will lead to an Intelligence Community Staff that is truly independent and can exercise strong oversight of the Intelligence Community.

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2. Language which permits \$15 million of funds appropriated in fiscal year 1977 to be used for other purposes. ~~Approved For Release 2004/09/03 : CIA-RDP80M00772A000200010033-2~~

3. Language which provides for the transfer of funds from other Army procurement appropriations to a deficient Army procurement account in amounts sufficient to liquidate overobligations.

## RELATED AGENCY

### INTELLIGENCE COMMUNITY OVERSIGHT

1977 appropriations to date.....	\$5,600,000
1977 supplemental estimate.....	4,035,000
House allowance.....	2,734,000
Committee recommendation.....	3,824,000

The Committee is recommending new supplemental appropriations of \$3,559,000 for Intelligence Community Oversight, plus an additional sum of \$235,000 for enacted pay raises contained in title II. This total is \$211,000 below the supplemental request, but \$1,090,000 above House allowances.

This recommendation first assumes a staffing level of 196 positions for Intelligence Community Oversight, an increase of 36 positions and \$590,000 over the House. This is consistent with the Committee's position on the matter during consideration of the fiscal year 1977 budget, reflecting the judgement that major reduction would seriously jeopardize effective accomplishment of the Staff's substantive mission. Given proportionately large numbers of personnel required for secretarial and committee support functions, there are only about 75 full-time professionals dedicated to the role of Community oversight, review and inter-agency coordination.

Secondly, the Committee has also restored \$500,000 of the House adjustment to contractual services. This specifically relates to a requirements management system, implementation of which should materially assist the Staff in performing one of its more significant roles.

Lastly, it is recommended that certain appropriations language proposed by the House be deleted. This language establishes statutory ratios for contract employees versus those on detail. This action however, does not indicate disagreement with House intent. While the Committee does not feel that detailing necessarily compromises Staff independence, it does believe that mission performance would be enhanced by the expertise and institutional continuity which would result from a dedicated and permanent staff of competent professionals. Since, however, we are not currently in a position to determine the composition or extent of this cadre, the Committee would rather that the Community be aware of—and guided by—its desires, rather than be confronted with inflexible legislated controls which later may prove inappropriate or unworkable.

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## Farmers Home Administration

Agricultural Credit Insurance Fund  
Development, Use, and Conservation  
Loans

The conferees agree that an additional \$20,000,000 should be provided for irrigation, drainage, and other soil and water conservation measures under the Consolidated Farm and Rural Development Act.

This increase is necessary to cover additional applications and additional needs occasioned by the continuing drought in some sections of the country.

## Rural Water and Waste Disposal Grants

Amendment No. 5: Appropriates an additional \$75,000,000 for rural water and waste disposal grants as proposed by the Senate.

## Rural Development Insurance Fund

Amendment No. 6: Provides an additional \$150,000,000 for rural water and waste disposal loans as proposed by the Senate.

## Agricultural Stabilization and Conservation Service

## Agricultural Conservation Program

Amendment No. 7: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede in the amendment of the Senate with an amendment which reads as follows:

## Agricultural Stabilization and Conservation Service

## Agricultural Conservation Program

For an additional amount to carry out the Agricultural Conservation Program, \$100,000,000 to incur obligations for the period ending September 30, 1977, and to liquidate such obligations for soil and water conserving practices in major drought or flood damaged areas as designated by the President or the Secretary of Agriculture: *Provided*, not to exceed five per centum of the amount herein may be withheld with the approval of the State committee and allotted to the Soil Conservation Service for services of its technicians in the designated drought or flood damaged areas.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The amendment provides \$100,000,000 for cost sharing payments in major drought or flood damaged areas. The Senate amendment would have provided funds only for designated drought areas. The amendment also provides for a transfer of not to exceed 5 percent of the funds to the Soil Conservation Service for services of its technicians with the approval of the State ASCS Committee. The Senate amendment had provided for a transfer of one percent. The amendment also deletes a Senate proviso that assistance be made available in accordance with standards and criteria as developed and approved by the Secretary of Agriculture, since that proviso would be legislation.

The conferees are in agreement that the funds shall be distributed based on need and not by formula. In addition to the 1970 practices, all former practices are authorized based on the need. Payments to any participant shall not exceed \$2,500; however, two or more farms or ranches may consolidate their payments into a single project.

## Military Personnel

Amendment No. 8: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate language adding a heading—"Military Personnel" to this chapter

## Military Personnel, Army

Amendment No. 9: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment to appropriate \$1,167,000.

The conferees agree to provide funding to be available to the end of fiscal year 1978 for the Uniformed Services University of the Health Sciences. The Administration amendments to the FY 1978 budget estimates deleted funding in FY 1978 for the University. The House had provided no funding in the FY 1977 supplemental bill for this purpose and the Senate proposed to make these funds available at this time to eliminate uncertainty over the future of the medical university.

## Military Personnel, Navy

Amendment No. 10: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment to appropriate \$888,000.

The conferees agree to provide funding to be available to the end of fiscal 1978 for the Uniformed Services University of the Health Sciences. The Administration amendments to the FY 1978 budget estimates deleted funding in FY 1978 for the University. The House had provided no funding in the FY 1977 supplemental bill for this purpose and the Senate proposed to make these funds available at this time to eliminate uncertainty over the future of the medical university.

## Military Personnel, Air Force

Amendment No. 11: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment to appropriate \$910,000.

The conferees agree to provide funding to be available to the end of fiscal 1978 for the Uniformed Services University of the Health Sciences. The Administration amendments to the FY 1978 budget estimates deleted funding in FY 1978 for the University. The House had provided no funding in the FY 1977 supplemental bill for this purpose and the Senate proposed to make these funds available at this time to eliminate uncertainty over the future of the medical university.

## Operation and Maintenance, Defense Agencies

Amendment No. 12: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment to appropriate \$10,700,000 instead of \$1,200,000 as proposed by the House. The Senate included an additional \$9,500,000 to be made available for the operation of the Uniformed Services University of the Health Sciences through September 30, 1978.

Amendment No. 13: Reported in technical disagreement. The managers on the part of the House will move to recede and concur in the amendment of the Senate. The Senate included a provision in its bill to make \$9,500,000 of the FY 1977 supplemental funding for O&M, Defense Agencies available only for the Uniformed Services University of the Health Sciences through the end of FY 1978.

The conferees, in agreeing to provide funding for the medical university in this Act, also agreed to this provision, making operation and maintenance funds available only for the University through September 30, 1978.

## Legislative Liaison Activities

Amendment No. 14: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate increasing the limitation on the use of funds for legislative liaison activities of the Department of Defense from \$5,000,000 to \$7,400,000.

The conferees agreed that Section 728 of the Department of Defense Appropriation Act for fiscal year 1977 should be amended to increase by \$2,400,000 the amount allowable for legislative liaison activities because of

changes in the criteria for allocating operations and personnel to this activity. The new language of the Department of Defense Appropriation Act for fiscal year 1977. (See page 46 of House Report No. 84-1475.)

## Related Agencies

## Intelligence Community Oversight

Amendment No. 15: Appropriates \$2513,000 for Intelligence Community Oversight instead of \$2,499,000 as proposed by the House and \$3,589,000 as proposed by the Senate.

The amounts approved by the conferees will provide for 170 positions for the Intelligence Community Staff instead of 160 positions as proposed by the House and 196 positions as proposed by the Senate. In agreeing to this compromise, the House conferees do not condone the fact that prior to the approval of this supplemental the Intelligence Community Staff hired in excess of the 141 positions approved in the 1977 appropriation. The amounts approved include \$250,000 for a requirements management system.

Amendment No. 16: Deletes language added by the House which would have required that after August 1, 1977, the funds in the supplemental could not be used to finance in excess of 128 contract employees or employees on detail to the Intelligence Community Staff from other agencies.

The effect of the House language was to assure that at least 20% of the employees of the Intelligence Community Staff would be full-time permanent employees. The House believed this was necessary to assure sufficient independence, since employees on detail may maintain loyalty to their parent agency. The Senate agreed with the need for a permanent cadre, but felt the House language unnecessarily inflexible. In agreeing to delete the House language, the conferees agreed that they would expect the Intelligence Community Staff to establish a permanent cadre as soon as practicable.

The conferees further agreed that by May 1, 1977, the Director of Central Intelligence shall submit to the House and Senate Committees on Appropriations a detailed organizational plan for the 170 positions approved in this supplemental. The plan should indicate which positions will be permanent and which positions will be contract employees or employees on detail from other agencies. The plan should further indicate the amounts required in 1978 to maintain on a full-year basis a staffing and contractual level of effort comparable to the level of effort approved in the 1977 supplemental. The Committees' actions on the 1978 budget will be dependent upon the timeliness, and responsiveness of this proposed plan.

## Chapter III

## Temporary Commission on Financial Oversight of the District of Columbia

## Salaries and Expenses

Amendment No. 17: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate inserting language as follows: "Provided, That all expenditures shall be approved by the Chairman of the Commission".

## District of Columbia

## Federal Funds

Federal Payment to the District of Columbia

Amendment No. 18: Appropriates \$16,202,600 for the general fund of the District of Columbia as proposed by the Senate instead of \$18,202,600 as proposed by the House.

## District of Columbia Funds

## Transportation

Amendment No. 19: Reported in technical disagreement. The managers on the part of the House will move to recede and concur in the amendment of the Senate appropriating \$816,000 for the Washington Metropolitan

Conference

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28 APR 1977

Honorable John L. McClellan, Chairman  
Committee on Appropriations  
United States Senate  
Washington, D. C. 20510

Dear Mr. Chairman:

In the Conference Report addressing the Intelligence Community Staff supplemental request for 1977, the Director was requested to submit to the House and Senate Committees on Appropriations a plan for the 170 positions approved by the supplemental, and to establish a permanent cadre as soon as practicable.

The President of the United States before forwarding the IC Staff budget request to Congress raised similar questions regarding the proper balance between permanent cadre and personnel assigned to the IC Staff on a rotational tour from the various component agencies of the Intelligence Community. At that time the President approved an IC Staff plan to have 40 percent of its civilian professionals, excluding support personnel and those assigned to the DCI committees, as permanent cadre by 30 September 1978.

I subscribe to the desirability of a permanent cadre to provide the continuity desirable in the Staff. I do not, however, believe in a Staff totally composed of permanent cadre employees. To establish an organization of that nature would strip the IC Staff of one of its essential features, and that is the vital and current knowledge and expertise that personnel on a two- to three-year rotation from intelligence organizations of the Community can bring to the Staff.

The rotation of personnel not only offers an ease of communications, especially informal, which aid in my management and coordination of Community matters, but it also generates a genuine expression of contribution and participation by the individual agencies in the Community as a whole. Such a commitment by the Community organizations is necessary for a well-balanced, cooperative national intelligence effort.

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As far as identifying specific positions which would be earmarked for permanent cadre, versus rotational personnel, I feel that any position on the Staff at any level would be available for assignment to either a permanent member or a professional intelligence officer on rotation. The criteria for selection should simply be the best person qualified at the time.

As you know, there is consideration of legislation to designate the Deputy to the DCI for the Intelligence Community as a statutory position, in which case the Staff would be headed by a Presidential appointee with the advice and consent of the Senate. The Associate Deputy would serve at the pleasure of the DCI.

I have directed that the IC Staff commence this summer to hire personnel in a permanent cadre status as has been directed by the President. As a target, I would look for 40 to 50 percent of the civilian professionals, excluding the DCI committees and support personnel, to be permanent cadre by 30 September 1978. I urge that Congress not force a specific number since at any point in time the cadre versus rotational personnel may fluctuate slightly. I ask that Congress leave at my command the authority to adjust that number depending upon the specific needs and personnel available for the Staff at any given time. I should be the individual held responsible to Congress for ensuring the proper management as well as the independence of the Intelligence Community Staff. I welcome your support in providing the flexibility I need to carry out the mission of the Staff as best I see fit.

Attached as requested by the Conference Report are the amounts that will be required in 1978 to maintain staffing and contractual activity comparable to the approved 1977 level. I ask, however, your assistance and urge that you look favorably upon the IC Staff FY 1978 budget submission for the 196 positions that I need.

Respectfully,

/s/ Stansfield Turner

STANSFIELD TURNER      DCI/IC 77-0178  
Admiral, U.S. Navy

Distribution:

Orig. - Addressee

- 1 - DCI
- 1 - ER
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Attachment:  
As stated above

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20 MAY 1977

Honorable John L. McClellan, Chairman  
Committee on Appropriations  
United States Senate  
Washington, D. C. 20510

Dear Mr. Chairman:

This is in response to your letter of 29 April concerning a permanent cadre plan for personnel of the Intelligence Community Staff. You raised several points which concern you and they are addressed in this letter.

First, let me assure you that the IC Staff does not consider the currently approved strengths to be only temporary. We are presently working to restructure the Staff to accommodate the reduction of personnel effected during the Joint Conference on the FY 77 Supplemental Appropriation. While we recognize that the current ceiling of 170 positions is final, we are seeking to develop the most appropriate internal arrangement in order to make maximum use of our limited number. The attached breakdown of our T/O reflects the current personnel staffing levels in each of our major program areas that we envision to be the proper allocation of personnel within the 170 ceiling. We currently have 170 people on board but they are the wrong mix for what we must accomplish. Therefore, we are trying to find a way to reduce some of the disparate functions which the IC Staff has been given, particularly in the DCI Committee arena, in order to increase our substantive expertise in the key areas of budgeting, planning, and evaluation. This has not proven to be an easy task and, most of all, it is a time consuming process.

Regarding your concern as to the appropriate balance between permanent cadre and rotational personnel, it is our plan to achieve a large permanent IC Staff cadre based on 40 to 50 percent of the civilian professionals (less DCI Committees, support and military personnel) within our 170 T/O level. This means that we would have a permanent cadre of civilian professionals ranging from 25 to 31 personnel. This number of permanent civilian professionals would

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function in all the principal categories of the IC Staff substantive areas. Thus, the hard-core of the Staff which focuses its attention on the primary functions for the Community in planning, budgeting and evaluation, would be represented at all different levels of responsibility from Office Head to Intelligence Analyst. By leaving at my command the authority to adjust that number and the positions they will fill, depending upon the specific needs and personnel available at any given time, I will have the flexibility to move personnel (both permanent cadre and rotational) to take advantage of their skills and talents and to meet high priority tasks as they occur. Without that flexibility the Staff could become locked into a rigid configuration that would leave it ill-equipped to address the diverse range of problems with which we are constantly faced.

In closing I wish to give you my personal assurance that our staffing structure will provide for innovative input which rotational military officers and civilians can bring to the Staff and, at the same time, have a hard-core permanent cadre which will provide continuity, balance and orderly succession. Again, I would urge that you consider favorably our request for an increase in personnel positions in FY 78 so that we will have sufficient numbers to cope with the large responsibilities of resource management, planning, and program evaluation for the Intelligence Community for which the IC Staff has been charged.

Respectfully,

SIGNED  
STANSFIELD TURNER

Attachment  
As stated

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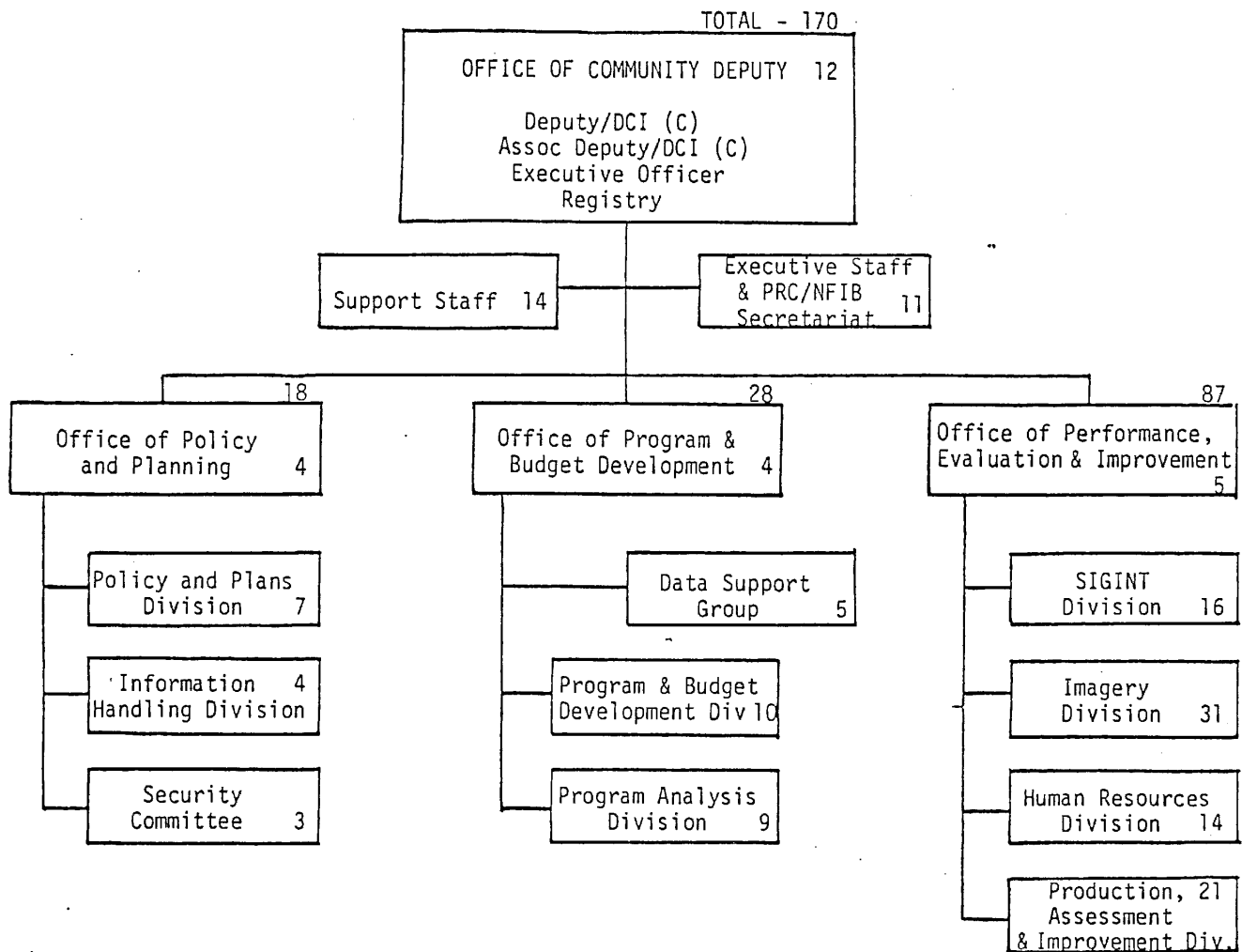
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DCI/IC-77-6001

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ORGANIZATION OF INTELLIGENCE COMMUNITY STAFF



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95TH CONGRESS } HOUSE OF REPRESENTATIVES { REPORT  
1st Session } No. 95-451

DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1978

JUNE 21, 1977.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. MAHON, from the Committee on Appropriations,  
submitted the following

REPORT

together with

SEPARATE AND ADDITIONAL VIEWS

[To accompany H.R. 7933]

The Committee on Appropriations submits the following report in explanation of the accompanying bill making appropriations for the Department of Defense, and for other purposes, for the fiscal year ending September 30, 1978.

APPROPRIATIONS AND ESTIMATES

Appropriations for most military functions of the Department of Defense are provided for in the accompanying bill for the fiscal year 1978. This bill does not provide for military assistance, military construction, military family housing, or civil defense, which requirements are considered in connection with other appropriation bills.

The new budget (obligational) authority enacted for the fiscal year 1977, the President's budget estimates, as amended (House Documents Nos. 95-93, 95-137, 95-145, and 95-161), and amounts recommended by the Committee for the fiscal year 1978 appear in summary form in the following table beginning on page 2:

(1)

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TITLE IX  
RELATED AGENCIES  
INTELLIGENCE COMMUNITY STAFF

Appropriation, 1977.....	\$8,748,000
New obligational authority, 1978:	
Estimate .....	10,500,000
Recommended .....	8,950,000
Reduction .....	1,550,000

The Committee recommends a total of \$8,950,000 and 170 positions for the Intelligence Community Staff. This is a reduction of \$1,550,000 and 26 positions below the amounts requested. The amount provided is \$202,000 more than provided last year and will permit the same level of staffing as in fiscal year 1977.

In a May 1, 1977, letter to the Chairman of the House and Senate Appropriations Committees, the Director of Central Intelligence made a commitment to the Congress to convert some Intelligence Community Staff employees to a full-time permanent status, rather than staffing the Intelligence Community Staff exclusively with persons on detail from other intelligence agencies. The Committee has insisted since the beginning that a permanent cadre was necessary to insure the desired independence and objectivity of the Intelligence Community Staff, and is pleased that the Director of Central Intelligence has agreed to begin the conversion to a staff which is partially composed of permanent personnel.

The Conference Report (House Report No. 95-166) on the 1977 Supplemental Appropriation Act included the following language:

... the conferees agreed that they would expect the Intelligence Community Staff to establish a permanent cadre *as soon as practicable*. (Emphasis added.)

The conference report was issued on April 6, 1977. The Committee has learned that as of June 2, 1977 (almost two months after issuance of the Conference Report) the Intelligence Community Staff had still not converted a single employee to permanent status. The Committee cannot understand the continuing delay in implementing a policy agreed upon by both the Congress and the Director of Central Intelligence and believes further delay should cease and conversion begin.

The fiscal year 1979 budget request should include a detailed report on the scope and pace of conversions in fiscal years 1977 and 1978 and any additional conversions proposed in fiscal year 1979.

(341)